

According

7 Apr 1964

Director of Logistics
1C-50 Qrts Eye

2. Before putting this into process for coordination, and before asking Colonel White to approve the policy, I would like to have some better indication of the equities involved and some assurance that the formula proposed will satisfy the majority of cases. The formula proposed by the Chief of Support, NE, seems reasonable and equitable for the particular case illustrated in the two memorandums attached; but before we process a regulation to take care of one particular type of case, I think we should be reasonably sure that the same formula can be applied in other countries and that it is limited to automobiles. One way to do this, of course, is to test the formula by applying it to several known cases.

Could you do a reasonable analysis for me by 24 April?

LS

RHW

SA-DD/S:RHW:nft (8 Apr 64)

Distribution:

Orig - D/LOG w/orig DD/S 64-2044, cpy DD/S 64-1835 w/att

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1 - DD/S Chrono

DD/S 64-2044 - Memo to DD/S fr SSA/DDS dtd 7 Apr 64, subj: "Recommended Change in

DD/S 64-1835 - Memo to DD/S fr C/NE Support Staff dtd (undated), subj: "Reimbursement to CIA of Customs Fee Paid on POV

Approved For Release 2003/04/29 : CIA-RDP84-00780R000400010006-3
Att - Memo to SSA/DDS fr C/NE Sup Staff dtd 25 Feb 64 subj "Customs Duties Suo

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SECRET

DAB Oct - 1833

D D / S R E G S T R Y

FILE Accounting

MEMORANDUM FOR: Deputy Director for Support

VIA: Special Support Assistant,
Deputy Director for SupportSUBJECT: Reimbursement to CIA of Customs Fee
Paid on POV- [redacted] 88-08

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25X1 REFERENCE: A. [redacted]
B. [redacted] 3 February 1964

1. This memorandum contains a recommendation for your consideration and approval in paragraph 3.

2. Reference A. states, in full: "If an employee while abroad sells an item for which the duty has been reimbursed, he shall refund the amount reimbursed, or the duty payable at the time of sale, whichever is the lesser. If the duty payable at the time of sale cannot be determined, the amount to be refunded shall be proportionate to the assessed value at the time of sale as the amount reimbursed was to the assessed value at the time of entry."

3. [redacted] as written, is impossible to apply when the host government's customs rules do not recognize the depreciation factor. No proportionate amount can be figured when both "assessed values"--at time of entry and at time of sale--are constant. Such is the situation at hand. Mr. [redacted] brought his POV to [redacted] in the fall of 1961. The Station paid customs fees of \$623.11 based on the [redacted] customs valuation of \$3,200. Mr. [redacted] sold the vehicle, a 1961 Ford, in January, 1964, prior to his departure for Headquarters PCS. The valuation of the vehicle at the time of sale was the same as it had been at the time of entry. Accordingly, full refund of customs would be required by literal application of the regulation, permitting the individual to realize \$643.55 net from the sales price of \$1,266.00.

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4. NE Division recommends that you consider the following approach:

- Substitute sales price for "assessed value at time of sale."
- Set up the proportion accordingly.
Thus,

Customs Paid at Entry (\$623.11) = Amount of Refund (X)

Assessed Value at Entry (\$3,200) Sales Price (\$1,266.66)

Per above computation, the amount of refund figures to be \$246.65, leaving net proceeds of sale of \$1,020.01.

5. Your approval is requested for the following actions:

- a. Waive application of since the regulation does not "fit" the case.
- b. Establish amount of customs refund at \$246.65.
- c. Charge to expense the sum of \$376.45, which represents the difference between customs paid by CIA (\$623.11) and item b. above (\$246.65).

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Chief
NE Support Staff

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CONCUR:

The recommendation contained in paragraph 5 is approved.

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Special Support Assistant,
Deputy Director for Support

SIGNED

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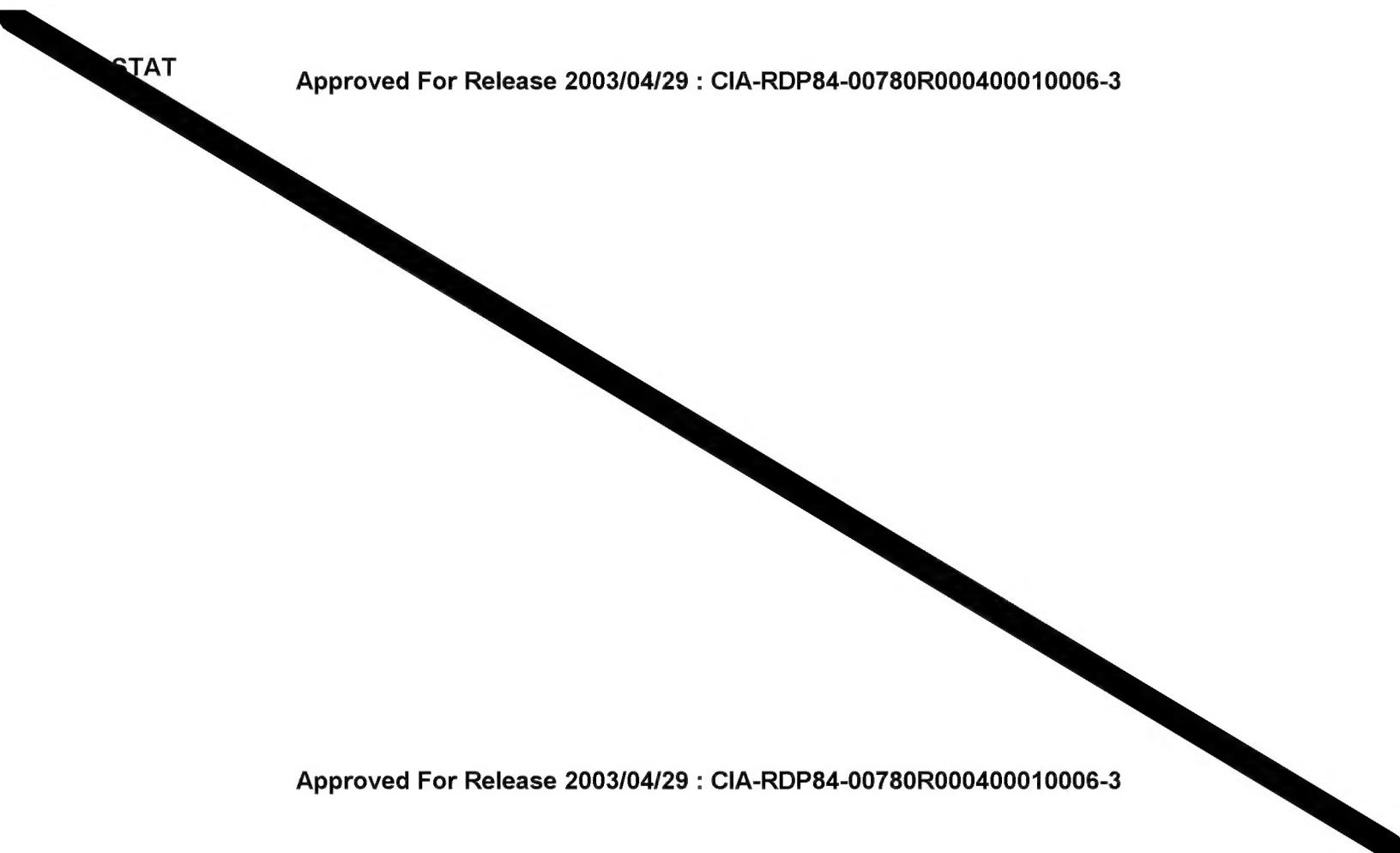
Date 26 MAR 1964

C Deputy Director for Support

Date 27 MAR 1964

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